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MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 2, 2020/2021

BAC2654 – PUBLIC SECTOR ACCOUNTING (All sections / Groups)

20 MARCH 2021
9.00 a.m - 12.00 p.m
(3 Hours)

INSTRUCTIONS TO STUDENTS

1. This Question paper consists of **3** Pages with **4** Questions only not inclusive the cover page.
2. Attempt **ALL** questions. All questions carry equal marks and the distribution of the marks for each question is given.
3. Please write all your answers in the Answer Booklet provided.

QUESTION 1

(a) Malaysian Administrative and Modernisation Planning Unit (MAMPU) and Economic Planning Unit (EPU) are central agencies of government administrative machinery. Discuss **TWO (2)** functions of MAMPU and EPU that may help Malaysian Government in coordinating and controlling other government agencies. (10 marks)

(b) Federal government comprises ministries, departments and public enterprises. A public enterprise further can be categorised into two which is statutory body and non-statutory body. With reference to a specific public enterprise, discuss **TWO (2)** of their functions that may help federal government in achieving their objectives. (10 marks)

(c) Surcharge is a fine imposed to the government officer because of failure to carry out certain duties. Explain on the procedure of surcharge. (5 marks)

[TOTAL:25 MARKS]

QUESTION 2

Auditor-General's Report: 15 Performance Audits carried out on 12 Federal Government Ministries involving RM15.7 billion

KUALA LUMPUR, Dec 10 — A total of 15 performance audits of RM15.71 billion were carried out involving programmes, activities and projects at 12 ministries for the Auditor-General's Report (LKAN) 2019 Series 1. Auditor-General Datuk Nik Azman Nik Abdul Majid, in a statement, said the report was tabled in the Dewan Rakyat today using the 'card drive' method and QR Code.

Generally, all federal government programmes, activities and projects are implemented according to the set objectives, he said. However, he said, *there are still weaknesses, such as the target 'output' and 'outcome' that cannot be achieved or cannot be evaluated*. To enable remedial and improvement actions by the head of the departments concerned, he said, the National Audit Department (NAD) submitted 62 recommendations on the activities of the ministries, federal departments and statutory bodies.

Source:<https://www.malaymail.com/news/malaysia/2020/12/10/a-gs-report-15-performance-audits-carried-out-on-12-federal-govt-ministries/1930587>

REQUIRED:

(a) Describe the concept of performance audit in public sector. (2 marks)

(b) Discuss **TWO (2)** benefits of performance audit in public sector. (8 marks)

Continued...

(c) By referring to the statement in the article which is “*...there are still weaknesses, such as the target 'output' and 'outcome' that cannot be achieved or cannot be evaluated*”. Discuss **THREE (3)** recommendations on how the government programmes, activities and projects should be implemented to improve the performance audit outcomes.

(15 marks)

[TOTAL: 25 MARKS]

QUESTION 3

(a) Based on the information given below, calculate **FOUR (4)** types of revenue for “X Federal Government” for the year of 2020.

Item	RM (million)
Customs Duties	22,359
Goods and Service Tax	24,652
Income Tax	120,445
License	13,559
Non-Tax Revenue from Federal Territories	68,876
Other Direct Tax	70,375
Registration Fees	21,210
Refunds of Expenditure	28,014
Receipts from Government Agencies	44,478
Tax Revenue from Federal Territories	96,190

(15 marks)

(b) Discuss **FOUR (4)** duties of the Controlling Officer in monitoring the object expenditure.

(10 marks)

[TOTAL:25 MARKS]

QUESTION 4

(a) Budgetary control is used to hold managers and head of departments accountable for their actions and decisions. It can be categorised into revenue control, cost control, and payment control. For **EACH** control, discuss **ONE (1)** opinion on how it may contribute to an effective budgetary control in the public sector organisations.

(9 marks)

(b) The concept of Three Es which refer to economy, efficiency, effectiveness may be used as another dimension of measuring public sector performance. By choosing **ONE (1)** Ministry in Malaysian government as an example, discuss on the application of Three Es concept for that Ministry.

(9 marks)

Continued...

(c) Outcome Based Budgeting (OBB) is the fourth budgeting system implemented by the Malaysian government. Discuss **TWO (2)** reasons why Malaysian government changed their budgeting systems from Modified Budgeting System (MBS) to OBB.
(7 marks)

[TOTAL:25MARKS]

End of Paper